

EXHIBIT 1

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

United States of America,)	
)	No. CR-19-898-PHX-DLR
Plaintiff,)	
)	
vs.)	Phoenix, Arizona
)	May 19, 2020
David Allen Harbour,)	10:02 a.m.
)	
Defendant.)	
)	

BEFORE: THE HONORABLE DEBORAH M. FINE, MAGISTRATE JUDGE

TRANSCRIPT OF PROCEEDINGS

INITIAL APPEARANCE/PRETRIAL RELEASE REVOCATION HEARING

TELEPHONIC APPEARANCES:

For the Government:

U.S. Attorney's Office

By: **Kevin M. Rapp**, Esq.

40 North Central Avenue, Suite 1800

Phoenix, Arizona 85004

For the Defendant:

Baskin Richards

By: **Mladen Zeljko Milovic**, Esq.

2901 North Central Avenue, Suite 1150

Phoenix, Arizona 85012

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Phoenix, Arizona 85003-2151

(602) 322-7246

Proceedings Recorded by Electronic Sound Recording

Transcript Produced by Transcriptionist

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1 THE COURT: I understand that.

2 MR. RAPP: -- qualified for.

3 THE COURT: Right. I understand that point.

4 But there's no -- he's not money laundering through
5 this, there's not -- he's not secreting money, setting money
6 aside for flight or anything like that; correct?

7 MR. RAPP: No, that's correct.

8 THE COURT: And the person who paid the money didn't
9 get fraud -- they weren't fraudulently deprived of the use of
10 the skybox; is that correct?

11 MR. RAPP: No, that's correct. They used -- as far as
12 we know, they received use of the skybox, and they were sort of
13 the nominee to use the skybox, yes.

14 THE COURT: Okay. Thank you. Thank you.

15 And so one final question, Mr. Rapp. Regarding -- so
16 I can handle everything if possible at once. Regarding the
17 request for travel without prior approval, I had restricted it
18 to Maricopa County because originally he was on electronic
19 monitoring before the securing of the bond. But I didn't
20 change that when -- or I couldn't find that I did, to loosen it
21 to the state of Arizona that he could freely travel.

22 I'm not inclined at this point to allow him to travel
23 out of the district without prior approval, but the
24 Government -- does the Government object to him traveling
25 within the entire district without prior approval?

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1 including posting the bonds here.

2 So I want to correct something, and it's a very
3 important correction to what the Government said in its memo,
4 that the Court originally temporarily detained Mr. Harbour as
5 an economic danger. I did not. I temporarily detained
6 Mr. Harbour as a flight risk. He can only be detained, held,
7 based on these charges as a flight risk. This whole concept of
8 economic danger we discussed at length.

9 And while I can impose some reasonable conditions, the
10 Court's main concern here is flight risk, because of the
11 constraints of the Bail Reform Act and the requirements of
12 such.

13 So here I find the Government has not shown by clear
14 and convincing evidence that Mr. Harbour violated his release
15 conditions.

16 This was -- it sounds like something that's a
17 reoccurring payment. I understand that it might not have
18 occurred to him that this is really a passthrough transaction.
19 And if it didn't occur to him at the time, but should have,
20 that -- I just don't think that that rises to the mens rea if
21 it's -- it was later addressed very forthrightly with Pretrial
22 Services.

23 And so I find he's not in violation.

24 I find there is good cause to amend release conditions
25 such that Mr. Harbour may not travel outside of the District of

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1 say that the defendant shall not make financial -- so this part
2 is the same so far, shall not make financial transactions
3 totaling over \$1,000 in any month to any person or entity
4 without prior approval of Pretrial Services.

5 Prior approval -- this is the new part: Prior
6 approval of Pretrial Services is not required for
7 preestablished rents, so like paying for his home, attorney's
8 fees, and reoccurring payments.

9 And so I've taken that language from
10 another -- something another judge imposed in another case, and
11 I think it streamlines things.

12 Finally, the last sentence, any transaction over
13 \$1,000 to any person or entity in any month that benefits the
14 defendant also requires Pretrial Services' approval. I find
15 that that's proven to be unwieldy and I'm deleting that
16 provision.

17 Now, I want to make very clear, Mr. Harbour, that the
18 name on the account is not dispositive of whether you're making
19 the financial transaction. And so you're going to have to
20 confer with your attorney, and if you're directing, making
21 financial transactions, even if the account is not in your
22 name, if that is not for attorney's fees, reoccurring payments
23 and preestablished rents on your home for your residential
24 housing, then you still need to get preapproval from Pretrial
25 Services.

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1 parents pay for for their kids' activities.

2 Are these -- is your request limited to school
3 activities or to these other activities?

4 MR. MILOVIC: It's to the other activities,
5 Your Honor. For example, cheerleading for Mr. Harbour's
6 daughters.

7 THE COURT: Okay. That's fine.

8 So for his children's school tuitions and all of their
9 activities. And that would extend to -- depending on their
10 age, there may be test prep and those things. So those kinds
11 of things that a parent would ordinarily pay for their child's
12 activities, whether they be extracurricular activities, sports
13 activities, or academic activities, such as a tutor and those
14 things, he does not need to get preapproval.

15 MR. MILOVIC: Thank you, Your Honor.

16 And I just wanted to clear something up. So what
17 about utilities and car insurance payments, those -- would
18 those be considered under the reoccurring payments provision?

19 THE COURT: Reoccurring payments.

20 MR. MILOVIC: Okay. Thank you so much. Thank you,
21 Your Honor.

22 THE COURT: And the reason behind all of my ruling
23 here is I am focused on flight risk. I believe the bonds
24 posted were sufficient to address that with these other
25 reasonable conditions.

EXHIBIT 2

From: David Harbour <dharbour1@gmail.com>
Sent: Tuesday, December 01, 2020 3:05 PM
To: Tammy Mahan
Subject: Gozzer rental agreement
Attachments: Gozzer rental agreement.pdf

Tammy,

Attached is the rental agreement.

David



RESIDENTIAL SERVICES



RENTAL AGREEMENT

— RESIDENTIAL RENTAL AGREEMENT —

We are excited about your upcoming visit to Gozzer Ranch! Please review the following information regarding your private home rental reservation. **Your reservation is not confirmed until this document is signed and returned.**

1. **PREMISES.** This rental is for 4757 S. Arrow Point Drive, Unit 104, Harrison, ID 83833. No pets and smoking are permitted in the Premises.
2. **TERM.** The term of the rental shall commence on July 15, 2020, and expire on November 15, 2020. However, in the event that the renter purchases the Premises from the owner during the term of the rental, this residential rental agreement shall terminate as of the closing date of the sale.
3. **RENTAL.** Renter shall pay rent in the following amounts on the first day of each month during the term of this rental: (a) for July, \$43,409.06; (b) for August and September, \$70,000 each month; (c) for October 1 through October 14, \$31,612.90; and (d) for October 15 through November 15, \$5,000. Renter shall pay any Idaho Sales Tax and Lodging Tax associated with the rental. Payment of rent shall be made in accordance with the payment instructions in Section 4.
4. **ADVANCED RESERVATION PAYMENT:** An advanced reservation deposit will not be required to confirm your reservation. Accepted forms of deposit payment are:

- **A Bank Wire Transfer** – Available upon request
- **A Check** – made payable to Gozzer Ranch and sent to: Gozzer Ranch, ATTN: Residential Services, 6308 S. Gozzer Road, Harrison, Idaho 83833

The full amount of the reservation deposit will be credited towards your total rental charge due. All rental charges are subject to an Idaho Sales Tax and a Lodging Tax.

5. **CANCELLATION POLICY:** **Cancellations made 30 days or less of the arrival date will forfeit the full amount of the deposit.** Deposits are refundable if the cancellation is made 31 or more days prior to scheduled check in.

****** A portion of, or all of, a forfeited deposit may become eligible for a refund if another rental is secured during a portion of, or all of, original dates listed in this agreement. We do not refund rents or deposits lost due to cancelled or shortened stays because of weather. All cancellations are subject to a \$75 cancellation fee.**

6. **CHECK-IN TIME:** Please let Residential Services know your approximate time of your arrival 24 hours prior to check in. *Check-in time is 4 pm PST on the first day of your rental reservation.* In some instances, access to your Gozzer Ranch rental may be unavoidably delayed due to cleaning or maintenance issues. Your

patience will be appreciated in these circumstances. Guests who will be arriving later than 6:00PM are requested to telephone prior to arrival so that arrangements to greet you can be made. Early check-ins will require special arrangements. Residential Services will make every attempt to accommodate your early arrival; however, we cannot guarantee your request. Our office hours are typically 9:00AM-5:00PM daily throughout the season. Residential Services will arrange access to the rental residence for you. There are no pets permitted and no smoking allowed in any of the rental residences, unless expressly permitted by the owner.

7. **CHECK-OUT TIME:** *Check-out time is no later than 11:00 AM on the last day of the reservation.* Late check-outs require prior special arrangements and Gozzer Ranch lodging will make every effort to accommodate.
8. **RESIDENTIAL SERVICES:** If you have any questions or special needs during your stay or to report any problems, please notify Residential Services at (208) 665-6634. Please do not leave doors or windows open while the A/C or heaters are operating. Gozzer Ranch staff may enter the property to respond to any maintenance and/or housekeeping issues during your stay.
9. **MINIMUM STAY:** *All properties require a minimum stay of at least three (3) days.* One-week minimum stays will apply for certain properties and or peak dates. Notwithstanding the foregoing, there are no minimum stay requirements for this rental.
10. **HOUSEKEEPING:** For stays lasting longer than one week, complimentary housekeeping will be provided once a week. Any additional housekeeping, along with turn over housekeeping, will be charged to your member account. A washer/dryer laundry room is included with every rental property. Notwithstanding the foregoing, the renter does not want any housekeeping services.
11. **PERSONAL SHOPPING:** Full personal shopping is available upon request. A 15% service fee will be added to the total cost of the groceries.
12. **LOST AND FOUND:** Gozzer Ranch is not responsible for any acts of theft or vandalism, or other damages to any personal property. Every effort will be made to contact you if any personal items were left after departure.
13. **SMOKE FREE:** Smoking in custom home rentals is strictly prohibited. *Failure to comply with this policy will result in an assessment of 2 nights rent for loss of use and any mitigation costs.*
14. **PET POLICY:** Pets in custom home rentals are strictly prohibited, unless designated as "pet friendly" by the owner, and additional deposits may apply. *Failure to comply with this policy will result in an assessment of 2 nights rent for loss of use and any mitigation costs.*

RESIDENTIALSERVICES@GOZZERRANCHCLUB.COM ✱ 6308 S GOZZER ROAD, HARRISON, IDAHO 83833
TEL [208] 665-6634 ✱ FAX [208] 666-0490

15. GOZZER RANCH RULES AND REGULATIONS: We respectfully request that you remember the rules and regulations established by Gozzer Ranch to protect Club Facilities and to promote the health, safety, welfare and enjoyment of the members, their families and guests and all other persons using Club Facilities.

16. DAMAGE TO PROPERTY: Excluding reasonable wear and tear, the Renter is liable for any damage they cause to the rental home and its furnishings. This includes, but is not limited to, audio video equipment, artwork, furniture, light fixtures, bedding, kitchenware, walls, windows, flooring, décor, carpet, tile and countertops. Residential Services reserves the right to charge the Renter the cost of repairs and/or replacements, and the cost is subject to a 15% administrative fee.

If you would like to make any changes to your lodging requests or if you have any questions, the Residential Services Staff is available at your request. Our priority is to provide you with a comfortable and memorable stay. We offer a full array of concierge services to make your stay at Gozzer Ranch Golf & Lake Club a memorable experience. Please do not hesitate calling us at (208) 665-6634.

I acknowledge and accept the terms of this document.


Signed on 2020/07/10 20:18:06 -8:00

07/10/2020

Member/Renter:
REDACTED

Date


Signed on 2020/07/10 20:18:06 -8:00


07/10/2020

Member/Renter:
REDACTED

Date

PLEASE SIGN AND RETURN IN ORDER TO CONFIRM YOUR RESERVATION.

Sincerely,

DocuSigned by:

E00C1C3D720B419...
J. REDACTED, Director of Residential Services

7/13/2020

